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UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re
CASH CLOUD, INC. dba COIN CLOUD,
Debtor.

Case No.: 23-10423-mkn
Chapter 11

**STIPULATION GRANTING
DERIVATIVE STANDING TO THE
OFFICIAL COMMITTEE OF
UNSECURED CREDITORS WITH
RESPECT TO CERTAIN ACTIONS**

Cash Cloud, Inc. dba Coin Cloud ("Debtor"), debtor and debtor in possession in the above captioned case (the "Chapter 11 Case"), by and through its counsel Fox Rothschild LLP, and the Official Committee of Unsecured Creditors (the "Committee," and together with the Debtor, the "Parties"), by and through its counsel Seward & Kissel LLP and McDonald Carano LLP, hereby

enter into this *Stipulation Granting Derivative Standing to the Official Committee of Unsecured Creditors with Respect to Certain Actions* (this “Stipulation”). In support of the Stipulation, the Parties agree as follows:

RECITALS

1. WHEREAS, on February 7, 2023 (the “Petition Date”), Debtor filed a voluntary petition under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Nevada (the “Bankruptcy Court”), commencing the Chapter 11 Case [Dkt. No. 1];

2. WHEREAS, on February 17, 2023, the United States Trustee for the District of Nevada appointed the Committee in the Chapter 11 Case [Dkt. No. 131];

3. WHEREAS, the Debtor and the Committee have identified certain colorable preferential transfers pursuant to section 547 of the Bankruptcy Code between the Debtor and certain creditors, excluding only those creditors listed on Schedule 1 hereto (as such list may be modified from time to time, the “Excluded Preference Actions”), occurring in the ninety days prior to the Petition Date (the “Preference Actions”);

4. WHEREAS, the Debtor and the Committee have identified certain colorable claims against the Debtor’s former CEO, Christopher McAlary, as more fully summarized in the Demand Letter issued to Mr. McAlary by the Committee on July 28, 2023 (the “Potential McAlary Litigation,” and together with Preference Actions, the “Actions”);

5. WHEREAS, the Committee has requested that the Debtor consent to entering into a stipulation granting the Committee derivative standing to initiate, commence, negotiate, litigate, arbitrate, mediate, settle, compromise, resolve, and to carry out any and all other or further initiatives attendant thereto, the Actions on behalf of the Debtor’s estate;

6. WHEREAS, the Debtor is prepared to stipulate to such grant of derivative standing to the Committee;

7. WHEREAS, consistent with the Parties’ joint view that the Actions should ultimately be controlled by a creditors’ trust upon Plan (as defined below) confirmation, the Debtor and the Committee believe that granting such derivative standing will ensure litigation coherence and

1 efficiency; and

2 8. WHEREAS, the Parties agree that such grant of derivative standing is beneficial to
3 the Chapter 11 Case.

4 **STIPULATION**

5 NOW, THEREFORE, based upon the foregoing and in consideration of the mutual promises
6 and agreements set forth below and for other good, valuable, and adequate consideration hereby
7 deemed received, the Parties hereby stipulate and agree as follows:

8 1. The foregoing recitals and provisions are true and correct and are incorporated herein
9 by this reference.

10 2. The Committee is authorized and has derivative standing to initiate, commence,
11 negotiate, litigate, arbitrate, mediate, settle, compromise, resolve, and to carry out any and all other
12 or further initiatives attendant thereto, the Actions on behalf of the Debtor's estate.

13 3. This Stipulation shall not modify, amend, waive, or have any other effect whatsoever
14 upon any provision in any final order (the "Confirmation Order") confirming the *Debtor's Chapter*
15 *11 Plan of Reorganization* [Dkt. No. 528] (as the same may be amended or supplemented from time
16 to time, the "Plan"), which shall remain in full force and effect. For the avoidance of doubt, any
17 proceeds of the Actions obtained by the Committee pursuant to this Stipulation shall be administered
18 and distributed in accordance with the Plan and Confirmation Order.

19 4. For the avoidance of doubt, nothing in this Stipulation shall affect the ability of the
20 Committee to obtain derivative standing with respect to any claims or causes of action for which
21 derivative standing is not expressly granted by the Debtor herein, including but not limited to the
22 Excluded Preference Actions, and the Committee reserves any and all rights to seek derivative
23 standing on any other claims or causes of action that may now or hereinafter exist, including but not
24 limited to the Excluded Preference Actions.

25 5. This Stipulation may be executed in counterparts, each of which shall be deemed to
26 be an original as against any party whose signature appears thereupon and all of which shall
27 constitute one and the same instrument.

28 6. The undersigned represent that they are fully authorized to enter into this Stipulation

on their own behalf and on behalf of their respective client(s).

7. The Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Stipulation.

IN WITNESS WHEREOF, the Parties have executed this Stipulation on the dates listed below.

Dated August 2, 2023

SEWARD & KISSEL LLP

/s/ Robert J. Gayda
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Dated August 2, 2023

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Schedule 1

List of Excluded Preferential Transfers

1. Enigma Securities Limited
2. OptConnect Management, LLC
3. Brink's U.S., a division of Brink's Incorporated
4. AVTech Capital, LLC
5. Genesis Global Trading Inc.